FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

OFFICE OF MANAGING DIRECTOR

James E. Rogers
President
Two Ocean Broadcasting Company
P.O. Box 7454
970 West Broadway, Suite 204
Jackson, Wyoming 83001

86.285

RE: Request for Waiver and Reduction of Regulatory Fees for Fiscal Year 2000 KJWY (TV) Fee Control No. 0009228835408002 Fee Paid \$22,750.00

Dear Mr. Rogers:

This is in response to the petition for reduction of regulatory fee for Fiscal Year (FY) 2000, filed by Two Ocean Broadcasting Company, licensee of Channel 2, KJWY(TV), Jackson, Wyoming. That petition seeks a refund of \$19,450.00, which reflects the difference between the 2000 regulatory fee assessment (\$22,750.00) and the amount charged to VHF television stations (\$3,300.00) in the remaining market category (markets 101 and above).

The Commission has set standards for determining whether the regulatory fees for a television station may be reduced below the fees assessed for stations in the relevant Designated Market Area. *Implementation of Section 9 of the Communications Act*, 10 FCC Rcd 12759, 12763 (1995). The Commission will reduce fees for television stations having certain characteristics. *Id.* Such a station must be located outside the metropolitan area of the principal city in the assigned DMA, and may not provide a Grade B signal to a substantial portion of the assigned market's metropolitan areas. *Id.* Stations that meet these criteria and request fee reductions will be assessed regulatory fees based on the number of households they serve; stations that serve fewer television households than are in the top 100th market will be assessed the regulatory fee for remaining market stations. *Id.*

Two Ocean argues that, although KJWY(TV) is listed as being within the Salt Lake City, Utah DMA, good cause exists for reduction of its regulatory fee. In this regard, Two Ocean contends that it does not operate (nor serve the viewers) in the Salt Lake City television market, that KJWY(TV)'s signal does not reach beyond the Wyoming border, and that its signal reaches approximately 15,000 households. In fact, it appears that Two

James E. Rogers

Ocean's station is located outside the metropolitan area of the principal city in its assigned DMA, that it does not provide a Grade B signal to a substantial portion of its market's metropolitan area, and that it serves fewer television households than are in the top 100th market. See 2000 Television & Cable Factbook. In light of these circumstances, KJWY(TV) has met the Commission's standards, as set forth above, for reduction of its regulatory fee for FY 2000 and your petition for reduction of regulatory fee is therefore granted.

For purposes of regulatory fee assessments in subsequent years, and absent significant changes in the factual situation, KJWY(TV) will not be treated as a station in the Salt Lake City, Utah, DMA. KJWY(TV) will be required to submit the regulatory fee for the market with the number of television households closest to, but not lower than, the figures for KJWY(TV) as reported in the *Television & Cable Factbook* for that year. You should note that KJWY(TV) is under a continuing obligation to report to the Commission any changes in its operations that could affect its qualification for regulatory fee reduction. Finally, you should retain this letter and submit a copy of it with any future correspondence with the Commission concerning the regulatory fee for KJWY(TV).

A check made payable to the maker of the original check, and drawn in the amount of \$19,450.00, will be provided at the earliest practicable time. If you have any questions concerning this letter, please call the Revenue & Receivables Operations Group at (202) 418-1995.

Sincerely,

Mark A. Reger

Chief Financial Officer



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9/19/00

Office of the Managing Director Federal Communications Commission 445 12th Street, S.W., Room 1-A625 Washington, D.C. 20554

Attn: Regulatory Fee Waiver/Reduction Request

Re: Two Ocean Broadcasting Company ("TOBC")
Licensee of Channel 2, KJWY (TV), Jackson, Wyoming

To Whom it May Concern:

Enclosed for filing is TOBC's Petition for Reduction of Regulatory Fee ("Petition"). In accordance with instructions provided by the Commission's public notice entitled "FY 2000 Mass Media Regulatory Fees" dated August 2, 2000, and as referenced within the text of the Petition, full payment of the assessed regulatory fees have been submitted to the Commission under separate cover. A true and correct copy of TOBC's regulatory fee remittance is enclosed herein for your reference.

Also enclosed is a "stamp & receipt" copy of the Petition for return-receipt purposes. For your convenience a self-addressed stamped envelope is provided to return the stamp-receipted copy.

Thank you for your assistance with this matter. If you require any additional information in support of this request or have any questions regarding the enclosed documents, please feel free to contact me at the address and phone number listed above.

Sincerely,

Shelley Goings

Secretary

Enclosures

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

WASHINGTON, D.C. 20554		
In the Matter of Two Ocean Broadcasting Company)	FCC File No.
Licensee of VHF Television Station KJWY(TV) Jackson, Wyoming)))	ree rue no.
To Chief, Mass Media Bureau PETITION FOR REDUCTION OF REGULATORY FEE		

Two Ocean Broadcasting Company licensee of KJWY(TV), Jackson, Wyoming ("KJWY(TV)"), hereby petitions the Commission for a reduction of the station's 2000 regulatory fee to a fee comparable to that of a commercial VHF station in a "Remaining Market" category. KJWY(TV) requests a refund of \$19,450.00, which reflects the difference between the 2000 regulatory fee assessment and the amount charged to stations in the "Remaining Market" category (markets 101 and above).

In support of its Petition, KJWY(TV) submits that the "good cause" standard of Section 1.1166 of the Commission's Rules has been met, and in support of such, declares the following:

1. In the case of stations that do not in fact serve the principal metropolitan areas of their assigned markets, it is the FCC's policy to assess regulatory fees based on "the number of television households served" so that the station's will be charged "the

same fee as stations serving markets with the same number of television households. 1

- 2. KJWY(TV) is a commercial VHF television station licensed to Jackson, Wyoming, operating at approximately 178 watts and is listed as within the Salt Lake City, Utah Designated Market Area ("DMA").²
- 3. The Salt Lake City DMA is defined by *The Broadcast and Cable Yearbook 2000*, as the thirty-sixth (36th) largest market in the nation and includes 720,860 Nielsen DMA Televisions Households.³ According to the Commission's schedule for 2000 regulatory fees, KJWY(TV) owes \$22,750.00 in regulatory fees, by virtue of its status as a Commercial VHF Station in Markets 26-50.⁴
- 4. KJWY(TV) has timely remitted the full \$22,750.00 in regulatory fees due, and accompanies such payment with this Petition for Reduction of Regulatory Fee.
- 5. In support of its request for a reduction in fees, KJWY(TV) represents that it does not in fact operate (nor serve the viewers) in the Salt Lake City, Utah, television market. Salt Lake City, Utah is in the adjoining state some 300 miles away from Jackson, Wyoming, and because of the terrain, the KJWY(TV) signal does not reach beyond the Wyoming border, let alone anywhere near Salt Lake City. Attached as Exhibit A is a

See In Re Implementation of Section 9 of the Commissions Act Assessment and Collection of Regulatory Fees for the 1994 Fiscal Year, Memorandum Opinion and Order, FCC 95-257, 10 FCC Rcd. 12759, ¶ 22 (1995) (hereinafter Memorandum Opinion and Order).

²The Broadcast and Cable Yearbook 2000, p. B-224.

 $^{^3}$ Id.

⁴See FY 2000 Mass Media Regulatory Fees, Public Notice, August 2, 2000.

copy of KJWY(TV)'s coverage map. While this coverage map illustrates that KJWY(TV)'s Grade B contour reaches into Utah, because of the terrain in the Jackson area, the signal actually does not reach beyond Wyoming's border.

- 6. KJWY(TV) is an NBC affiliate whose Grade B contour reaches approximately 15,000 households in Teton County and is broadcast on only one (1) cable system. In comparison, according to *The Broadcast and Cable Yearbook 2000*, p. B-83, the NBC affiliate station in Salt Lake City, KSL-TV, is broadcast on 52 cable systems and 121 translators located throughout the DMA which consists of 720,860 households. Further, satellite dishes are making it possible for signals from Salt Lake City to reach Jackson. Therefore, stations in Salt Lake City can take advantage of sale profits in Jackson, where, KJWY(TV) cannot take advantage of sale profits in Salt Lake City.
- As stated above, as a licensed VHF television station, KJWY(TV) is required to pay \$22,750 in regulatory fees. KJWY(TV)'s gross income for 1999 was only approximately \$305,000 and its operating costs exceeded that income.
- 8. The \$22,750 fee is more than one month of KJWY(TV)'s revenue, and would automatically reduce KJWY(TV)'s gross income by 7.5% per year, thus forcing KJWY(TV) to operate further in the negative.
- 9. KJWY(TV) could not operate at the heavy losses that would certainly result if it was forced to pay the fees as stated. KJWY(TV) already operates at maximum efficiencies with a small staff of only nine (9) people and the use of satellite programming from its sister station KPVI(TV), Pocatello, Idaho, for all but 20 minutes a day of local news related programming, making any other cuts in operating costs almost

impossible.

- 10. Accordingly, the Commission's levy of the regulatory fees on KJWY(TV) would not serve the public interest as it could cause the loss of this sole local television station, or, at a minimum the loss of its cost intensive local programming.
- 11. Channel 2 (KJWY(TV)) is the only commercial station allotted to Jackson.

 Wyoming, at this time that is currently broadcasting. Station KBEO, Channel 11 is allotted to Jackson, according to the Table of Allotments at 47 CFR § 73.606(b), however, that station is not on air, and no target date for on air broadcast is available.

Pursuant to the facts set forth above and in accordance with the policy stated in the Memorandum Opinion and Order, KJWY(TV) requests a reduction in its regulatory fee for fiscal year 2000 from \$22,750.00 to \$3,300.00. KJWY(TV) requests a refund of \$19,450.00 which reflects the difference between the 2000 regulatory fee assessment and the amount charged to VHF stations in the Remaining Market category. KJWY(TV) requests that this refund be tendered at the earliest possible date.

Respectfully submitted,

wo Ocean Broadcasting Company

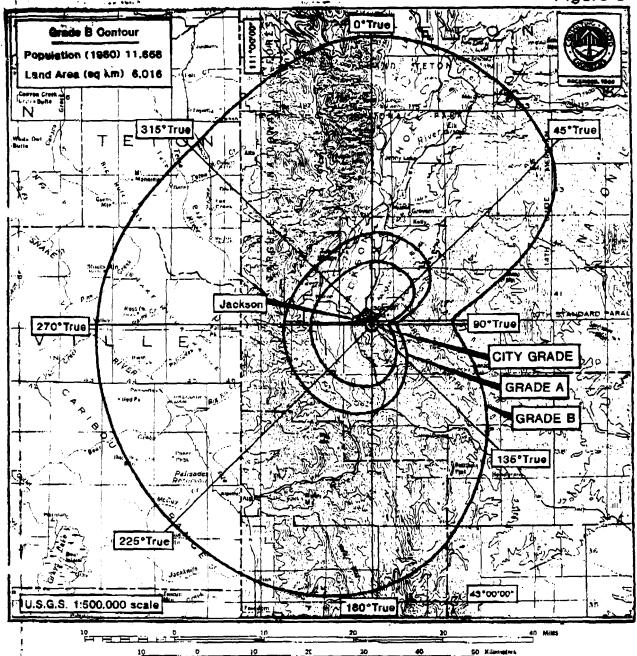
James E. Rogers, President

September 19, 2000

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EXHIBIT A

Page 5



PREDICTED COVERAGE CONTOURS

WESTERN TELECASTING COMPANY
STATION KAY KINY
JACKSON, WYOMING
CH. 2 0.19 KW 307 M

du Treil, Lundin & Rackley, Inc. Washington, D.C.



9/19/00

VIA OVERNIGHT COURIER TO: Federal Communications Commission

c/o Mellon Bank

Three Mellon Bank Center

525 William Penn Way, 27th Floor., Rm 153-2713

Pittsburgh, Pennsylvania 15259-0001 ATTN .: FCC Module Supervisor

Federal Communications Commission TV Branch Regulatory Fees P.O. Box 358835 Pittsburgh, PA 15251-5835

Re: Two Ocean Broadcasting Company (FRN - 0003-7084-50) Annual Mass Media Regulatory Fees, Fiscal Year 2000

Dear Sir/Madam:

Enclosed please find for filing with the Commission, Two Ocean Broadcasting Company's Remittance Advice ("Form 159") together with a check in the amount of Twenty Two Thousand Seven Hundred Fifty Dollars (\$22,750.00) as payment of the annual regulatory fees for fiscal year 2000 for the following license:

> Main - VHF KJWY, Channel 2, Jackson, Wyoming

Also enclosed is an extra copy of Form 159 and this transmittal letter for receipt purposes. It is identified as the "Stamp & Receipt" copy. Please return the receipted copy in the self-addressed stamped envelope herein.

If you have any questions regarding this matter, please contact the undersigned.

Sincerely,

Shelley Goings

Secretary

Enclosures